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MEMORANDUM

TO: Athol Board of Selectmen
FR: Shaun A. Suhoski, Town Manager
RE: Town Manager's Report
DT: April 7, 2020

Dear Board:

Due to the "virtual meeting" format, I'm including any written comments I have on agenda items into one document so that it can follow the agenda. I won't read everything into the record unless asked, but, you'll have the short summary in one place from me. If the Board feels this approach is not helpful just let me know. Thanks.

Shaun

COVID-19 Update: Since the Governor's declaration of a state of emergency – and our local declaration effective March 15 – the Town has sought to follow health guidance from the Centers for Disease Control and Prevention and the Mass. Dept. of Public Health with respect to informing our citizens and protecting our staff.

The Town's Web site www.athol-ma.gov (click the "coronavirus" link) are prevention and health tips, recurring community updates and a document summarizing the operational status and best contact methods for all Town departments among other information.

Yesterday, I met with health and safety department leaders and the chair of the Board to discuss operational status and next steps given the predicted "surge" in cases over the next two weeks. Based upon the best available information and with input from the leadership group the Town will be taking the following additional actions **effective immediately and until May 4 or further notice:**

- 1) Directive to all general government departments and staff to work remotely whenever possible, and implementation of further limitations on staff access to Town Hall,
- 2) Improved safety guidelines at the Transfer Station to protect customers and staff including: no mattresses or upholstered furniture to be accepted, temporary cessation of recycling (all waste must be disposed using Town-approved bags) and strengthened social distancing protocols, and
- 3) Enhanced measures to dissuade gatherings of more than ten persons or use of play equipment that places individuals in close proximity (eg. swing sets, basketball hoops) where the Town cannot reasonably ensure sanitation or proper distancing.

The Town has also disseminated updated state health protocols to contractors undertaking public projects such as the Church Street reconstruction and the ongoing bridge repair and replacement projects.

I will not address all internal operations here, but, will assure the Board and the residents of Athol that despite the temporary cessation of many routine tasks your public servants remain available and ready to respond to any emergency situations.

Lastly, I remain fully engaged in monitoring all developments at the federal and state level for potential benefit or impact on the Town including fiscal matters, health advisories and updates and personnel-related guidance.

The Board of Health Agent, Fire Chief and Police Chief are scheduled to participate in this virtual meeting and will be available to respond to any questions.

FY21 Budget Discussion: I have emailed the Board of Selectmen and Finance and Warrant Advisory Committee a memorandum dated March 31, 2020 outlining the reasons that I am requesting the boards to defer presentation and discussion of a budget document including the following areas of flux:

- Delayed annual town elections,
- Potentially rescheduled Annual Meetings,
- Declining revenue projections at state and local level since Governor's budget in January,
- Unprecedented surge in unemployment claims,
- State-level modifications or pending legislation to:
 - Modify open meeting law for local government
 - Add flexibility to financial processes and procedures
 - Defer statutory due date for Q4 real estate taxes
 - Provide additional flexibility with respect to certified fund balance (free cash)
 - Allow use of "1/12th" budgeting for FY21
 - Provisions to allow pre-paid assessment as part of 1/12th budgeting (eg. retirement, P&C and liability insurances, regional school assessments, etc.), and
- Undetermined local revenue impacts (eg. Ch. 70, Student Opportunity Act, Unrestricted General Government Aid, reduced meals tax revenue, potential slow collections of real estate or excise taxes should unemployment persist over time, etc.).

Even today, a scheduled "Economic Roundtable" between the Secretary of Administration and Finance and the state Legislature's joint Ways and Means Committee leadership was canceled until further notice. During a conference call that included the Lieutenant Governor this afternoon it was noted that the plan to revise and establish a "consensus revenue projection" for FY21 remains a "work in progress."

Notably, the Commonwealth needs to gain a better understanding on the implications of the federal CARES Act and just how the \$2.7 billion earmarked for assistance to the state's cities and towns will be implemented.

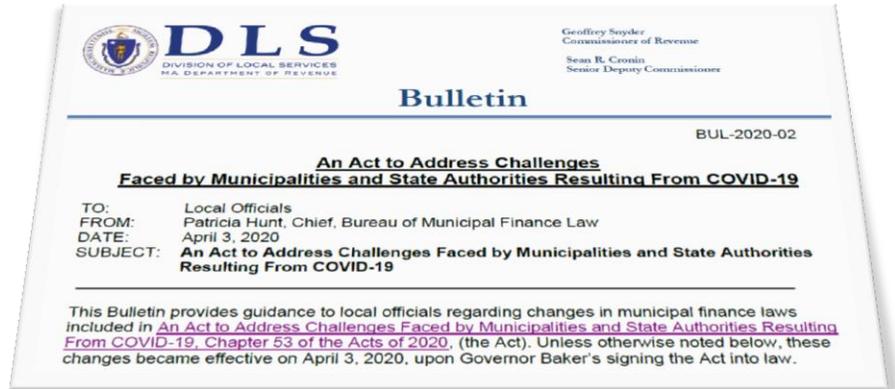
Until the state is able to provide some certainty over both education (Chapter 70 and Student Opportunity Act) and general government (UGGA account) assistance I would recommend that the Town defer its FY21 budget timeline.

The Town can always avail itself of the 1/12 budget option (by vote of the Board of Selectmen) if needed for July. This will establish a monthly budget in the minimum amount of 1/12th of the FY20 appropriation (plus allowance for pre-paid items such as the retirement assessment, insurance premiums, etc.).

In my opinion, we do not need to rush into FY21 based upon mere conjecture on the potential revenues. It is my belief that the Commonwealth will also play a waiting game to better understand the impacts of the health crisis upon the economy and the extent by which the federal stimulus package can help bail out cities and towns.

Extend due date for Quarter 4 tax

payments: Under Chapter 53 of the Acts of 2020, the Board of Selectmen may extend the due date for fourth quarter real estate and personal property taxes to June 1, 2020. This would provide taxpayers with additional flexibility during this uncertain period of time. Town Counsel drafted the following proposed motion should the Board be inclined to grant the extension:



MOTION: I move that the Board of Selectmen for the Town of Athol vote to extend the due date for fourth quarter fiscal year 2020 real estate and personal taxes from May 1st to June 1st as provided by Section 10 of Chapter 53 of the Acts of 2020, an Act to Address Challenges faced by Municipalities and State Authorities resulting from Covid-19.

Waive interest and fees: Under the same law, the Board may elect to waive certain interest and penalties for amounts due after March 10, 2020 so long as paid by June 30. Town Counsel's motion follows:

MOTION: I move that the Board of Selectmen for the Town of Athol vote to waive interest and other penalties for the late payment of any excise, tax, betterment assessment or apportionment thereof, water rate or annual sewer rate or other charges added to a tax for any payments with a due date on or after March 10, 2020 where payment is made after its respective due date but before June 30, 2020 as provided by Section 11 of Chapter 53 of the Acts of 2020.

LED Streetlight Project Financing: The Town is ready to implement this project upon financing approval. As discussed at your March 5 meeting, and based upon the investment grade audit, the total estimated project cost of \$311,000+/- would be paid over three years (FY21-23) less the utility and state subsidies.

The audit confirms a 2.1 year payback with 20-year savings of over \$2.7 million. The value of the estimated incentives will reduce the actual project cost to approximately \$231,408+/- which essentially means the third year lease payment will be only \$10,000 to \$20,000. The payments are from the existing appropriations via actual savings. (Please see copies of the IGA and lease proposal).

MOTION: I move that the Board of Selectmen vote ratify the Town Manager's execution of the tax-exempt lease proposal from Municipal Leasing Consultants dated March 20, 2020 Revised for the acquisition and conversion to LED fixtures of approximately 800 streetlights pursuant to the public procurement process administered by the Metropolitan Area Planning Commission in conjunction with the Massachusetts Dept. of Energy Resources and to authorize the Town Manager to execute any documentation related hereto.